

(323) 881-2401

June 2, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**ANNUAL FEES FOR HAZARDOUS WASTE GENERATORS AND HAZARDOUS
MATERIALS HANDLERS FOR FISCAL YEAR 2003-04
(ALL) (3 VOTES)**

**IT IS RECOMMENDED THAT YOUR HONORABLE BOARD ACTING AS THE
GOVERNING BODY OF THE CONSOLIDATED FIRE PROTECTION DISTRICT
AFTER THE PUBLIC HEARING:**

1. Approve the adjustments in annual fees and cost recovery hourly rates for hazardous waste generators and hazardous materials handlers for fiscal year 2003-04 shown on the attached fee schedule, developed in accordance with the annual adjustment provisions of the County Code as delineated in Sections 12.52.070, 12.56.070, 12.60.080, and 12.64.070, and approved by the Auditor-Controller.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The annual fee adjustments established in accordance with provisions established in the County Code will accomplish the following:

1. Adjust the annual fees for the hazardous waste generator and hazardous materials handler programs and the cost recovery hourly rates for emergency responses, site mitigation oversight and risk management plan reviews to allow for changes in program costs brought about by staffing level changes necessary to implement state mandated program requirements, changes in salaries and

overhead rates, and the number of regulated facilities falling within each of the established fee categories.

2. Promote full cost recovery for the hazardous waste generator and hazardous materials handler programs.
3. Facilitate the single fee billing process mandated by the Unified Program by establishing fair and equitable fees to be billed for fiscal year 2003-04.

This Department implements the Hazardous Waste Generator, Hazardous Materials Handler, and the California Accidental Release Prevention (Cal-ARP) programs under the auspices of the Unified Program. State Law and County Code allows for the recovery of reasonable and necessary costs to administer these programs. Your Honorable Board established annual fees and annual adjustment provisions for each of these programs to recover the costs of implementation. Cost recovery hourly rates were also established for emergency responses, site mitigation oversight, and risk management plan reviews by this Department. Annual adjustments were also established for these cost recovery rates.

The annual adjustment provisions established in the County Code maintain the same fee methodology as originally established by your Honorable Board. The adjustments incorporate changes in program costs that result from changes in salaries and overhead rates and the number of regulated facilities falling within each established fee category. Similarly, annual adjustment to cost recovery rates reflect changes in Departmental costs to administer those services.

Implementation of Strategic Plan Goals:

Adoption of the proposed annual fees and cost recovery rates for fiscal year 2003-04 will ensure full cost recovery for the hazardous materials/waste programs administered by this Department. Adoption will also facilitate the billing process for the single fee system mandated by the Unified Program. This is consistent with the Los Angeles County Strategic Plan Goal #4 on fiscal responsibility.

FISCAL IMPACT/FINANCING:

The costs of implementation for the proposed fee revisions are negligible and the benefits will include fees that are apportioned in accordance with program costs to ensure full recovery of program implementation costs. Current program costs are fully offset by a combination of fees and direct cost recovery billing for specific services. The proposed revisions in annual fees for the hazardous waste, hazardous materials (disclosure) and Cal-ARP program will continue to allow full recovery of the reasonable and necessary costs to implement the programs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The fee revisions will be effective in all areas under the jurisdiction of the Los Angeles County Certified Unified Program Agency (CUPA) for FY 2003-04. The invoices for these facilities will be generated and mailed throughout the fiscal year. The Cities of Los Angeles and Santa Monica will generate annual fee invoices in July 2003 for FY 2003-04 for the hazardous waste generator program and are awaiting any changes in our fee schedule.

California Health and Safety Code, Sections 25404.5(a)(2) and (3), grants authorization to the governing body of the local CUPA to establish fees to recover reasonable and necessary program costs.

The Auditor-Controller has reviewed and approved the cost basis and fee adjustments.

The annual adjustments are exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21080(b)(8), because they involve fees to recover operating costs.

This request for approval of the revised fees is made after compliance with all public notification and hearing requirements as specified in Section 6062(a) and Section 66018 of the Government Code.

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IMPACT ON CURRENT SERVICE (OR PROJECTS):

The approval of the annual fee adjustments for the hazardous waste, hazardous material, and for the cost recovery programs will serve to establish the reasonable and necessary fees for FY 2003-04, facilitate the fiscal year billing process mandated by the Unified Program, and assure full recovery of program implementation costs. The annual adjustments fairly allocate changes in program costs to regulated facilities while maintaining the integrity of the original fee methodologies.

CONCLUSION:

Please return the adopt-stamped copy of the letter and attachments to William Jones, Chief, Health Hazardous Materials Division, 5825 Rickenbacker Road, Commerce, CA 90040.

Respectfully submitted,

P. MICHAEL FREEMAN

PMF:WJ:na

Attachment

c: Chief Administrative Officer
County Counsel
Auditor-Controller
Louisa Ollague
Randi Tahara
Joseph Charney
Matt Knabe
Sussy Nemer
Executive Officer, Board of Supervisors

HEALTH HAZARDOUS MATERIALS PROGRAMS

2003 - 04 FEES SUMMARY

Programs		2001-2002	2002-2003	2003-2004	\$ Change from	Percent
		Adopted Fees	Adopted Fees	Proposed Fees	2002-2003	Change
HAZARDOUS WASTE						
Silver Only	n/a	\$ 182	\$ 190	\$ 205	\$ 15.00	7.94%
Employees 0-5		\$ 364	\$ 381	\$ 410	\$ 29.00	7.65%
Employees 6-19		\$ 502	\$ 531	\$ 572	\$ 41.00	7.63%
Employees 20-100		\$ 706	\$ 753	\$ 811	\$ 58.00	7.72%
Employees 101-500		\$ 1,029	\$ 1,104	\$ 1,190	\$ 86.00	7.77%
Employees 501 or more		\$ 1,725	\$ 1,850	\$ 1,993	\$ 143.00	7.71%
HAZARDOUS MATERIALS (DISCLOSURE)						
Special		\$ 140	\$ 144	\$ 153	\$ 9.00	6.21%
Category I - Minor		\$ 208	\$ 214	\$ 230	\$ 16.00	7.40%
Category II - Moderate		\$ 271	\$ 279	\$ 302	\$ 23.00	8.31%
Category III - Major		\$ 380	\$ 390	\$ 423	\$ 33.00	8.57%
Category IV - Major Large		\$ 529	\$ 542	\$ 602	\$ 60.00	11.16%
Category V - Major Community		\$ 868	\$ 887	\$ 1,012	\$ 125.00	14.13%
Cal-ARP						
Weighted Hourly Rate	n/a	\$ 95.73	\$ 96.02	\$ 99.85	\$ 3.83	
EMERGENCY RESPONSE						
Weighted Hourly Rate		\$ 89.44	\$ 84.73	\$ 87.81	\$ 3.08	
Administration (one time)		\$ 178	\$ 169	\$ 176	\$ 6.16	
SITE MITIGATION						
Weighted Hourly Rate		\$ 92.18	\$ 95.75	\$ 99.31	\$ 3.56	
SMU Initial Review (one time)		\$ 1,380	\$ 1,436	\$ 1,490	\$ 53.40	
TIERED PERMITTING						
PBR Facilities		\$ 1,012	\$ 1,012	\$ 1,012	\$ -	
CA Facilities		\$ 747	\$ 747	\$ 747	\$ -	
CE Facilities		\$ 109	\$ 109	\$ 109	\$ -	
REINSPECTION FEE						
- for 2nd reinspection and after		\$ 215	\$ 215	\$ 215	\$ -	

